

## CHAPTER 6

### STATE AUDITOR

6.48 Examination of counties; cost, fees.  
 6.56 Cost of examination, payment.  
 6.58 General fund.

6.65 Minimum procedures for auditors,  
 prescribed.

#### 6.48 EXAMINATION OF COUNTIES; COST, FEES.

All the powers and duties conferred and imposed upon the state auditor shall be exercised and performed by the state auditor in respect to the offices, institutions, public property, and improvements of several counties of the state. At least once in each year, if funds and personnel permit, the state auditor shall visit, without previous notice, each county and make a thorough examination of all accounts and records relating to the receipt and disbursement of the public funds and the custody of the public funds, including the game and fish funds, and other property. The state auditor shall prescribe and install systems of accounts and financial reports that shall be uniform, so far as practicable, for the same class of offices. A copy of the report of such examination shall be filed and be subject to public inspection in the office of the state auditor and another copy in the office of the auditor of the county thus examined. The state auditor may accept the records and audit, or any part thereof, of the department of human services in lieu of examination of the county social welfare funds, if such audit has been made within any period covered by the state auditor's audit of the other records of the county. If any such examination shall disclose malfeasance, misfeasance, or nonfeasance in any office of such county, such report shall be filed with the county attorney of the county, and the county attorney shall institute such civil and criminal proceedings as the law and the protection of the public interests shall require.

The county receiving such examination, and the division of game and fish of the department of natural resources of the state of Minnesota, in the case of the examination of the game and fish funds, shall pay to the state general fund, notwithstanding the provisions of section 16A.125, the total cost and expenses of such examinations, including the salaries paid to the examiners while actually engaged in making such examination. The state auditor on deeming it advisable may bill counties, having a population of 200,000 or over, monthly for services rendered and the officials responsible for approving and paying claims shall cause said bill to be promptly paid. The general fund shall be credited with all collections made for any such examinations.

*History: 1989 c 335 art 4 s 2*

#### 6.56 COST OF EXAMINATION, PAYMENT.

Upon the examination of the books, records, accounts, and affairs of any county, city, town, or school district, as provided by law, such county, city, town, or school district shall be liable to the state for the total cost and expenses of such examination, including the salaries paid to the examiners while actually engaged in making such examination. The state auditor may bill such county, city, town, or school district monthly for service rendered and the officials responsible for approving and paying claims are authorized to pay said bill promptly. Said payments shall be without prejudice to any defense against said claims that may exist or be asserted. The general fund shall be credited with all collections made for any such examinations.

*History: 1989 c 335 art 4 s 3*

#### 6.58 GENERAL FUND.

The general fund shall be used to provide personnel, pay other expenses, and for the acquisition of equipment used in connection with reimbursable examinations and other duties pursuant to law. When full-time personnel are not available, the state auditor may contract with private persons, firms, or corporations for accounting and

other technical services. Notwithstanding any law to the contrary, the acquisition of equipment may include duplicating equipment to be used in producing the reports issued by the department. All receipts from such reimbursable examinations shall be deposited in the general fund. The state auditor is directed to adjust the schedule of charges for such examinations to provide that such charges shall be sufficient to cover all costs of such examinations and that the aggregate charges collected shall be sufficient to pay all salaries and other expenses including charges for the use of the equipment used in connection with such reimbursable examinations and including the cost of contracting for accounting and other technical services. The schedule of charges shall be based upon an estimate of the cost of performing reimbursable examinations including, but not limited to, salaries, office overhead, equipment, authorized contracts, and other expenses. The state auditor may allocate a proportionate part of the total costs to an hourly or daily charge for each person or class of persons engaged in the performance of an examination. The schedule of charges shall reflect an equitable charge for the expenses incurred in the performance of any given examination. The state auditor shall review and adjust the schedule of charges for such examinations at least annually and have all schedules of charges approved by the commissioner of finance before they are adopted so as to ensure that the amount collected shall be sufficient to pay all the costs connected with such examinations during the fiscal year.

**History:** 1989 c 335 art 4 s 4

#### **6.65 MINIMUM PROCEDURES FOR AUDITORS, PRESCRIBED.**

The state auditor shall prescribe minimum procedures and the audit scope for auditing the books, records, accounts, and affairs of local governments in Minnesota. The minimum scope for audits of all local governments must include financial and legal compliance audits for fiscal years ending after January 15, 1984. The state auditor shall establish a task force to promulgate an audit guide for legal compliance audits. The task force must include representatives of the state auditor, the attorney general, towns, cities, counties, school districts, and private sector public accountants.

**History:** 1989 c 67 s 1